DOCUMENT RESUME

ED 195 605 UD 020 979

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TITLE Unemployment of Family Breadwinners: The Recession of 1975.
PUB DATE [77]
NOTE 34p.: Paper presented at the Annual Rural Sociological Society Meeting (Syracuse, NY, August, 1980).

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS Demography: Employment Patterns: *Family (Sociological Unit): Family Characteristics: Family Financial Resources: Family Income: *Heads of Households: *Unemployment
IDENTIFIERS *Recession (Economic 1975)

ABSTRACT

Using 1975 and 1976 data from the Michigan Panel Study of Income Dynamics, this study examines the significance of the 1975 recession for families with children under 18. This study attempted to ascertain what families with children were most susceptible to having an unemployed breadwinner in 1975 and why some family heads were more susceptible to unemployment than others. First, the distribution of jobless breadwinners is described. Nearly 17 percent of the sample of families had a jobless breadwinner in 1975. Families with preschoolers, black families, and male-headed families at every life cycle stage were most likely to have their major breadwinner unemployed. Log linear analytic techniques indicated that life cycle stage, family household type, education of head of household, and county unemployment rates were important in estimating the distribution of unemployment among family breadwinners. When these variables were controlled, the work experience and race of the household head were not found to be significant. Tables and figures of data are included. (Author/MK)

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UNEMPLOYMENT OF FAMILY BREADWINNERS: THE RECESSION OF 1975

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UNEMPLOYMENT OF FAMILY BREADWINNERS:

THE RECESSION OF 1975

Abstract

The recession of 1975 had a tremendous impact on families: the unemployment rate for breadwinners reached a record 5.5 percent in 1975 (moving from 2 percent in 1973). Using data from the 1975 and 1976 waves of the Michigan Panel Study of Income Dynamics this study examines the significance of the recession for families with children under 18. The following questions are addressed:

1. What families with children were most susceptible to having an unemployed breadwinner during the 1975 recession?
2. Why are some family heads more susceptible to unemployment than others?

First the distribution of unemployment of breadwinners is described: nearly 17 percent of this nationwide sample of families with children under 18 had an unemployed breadwinner in 1975. Young families--families with preschoolers--are more likely to have their major breadwinner unemployed as are black families and male-headed families at every life-cycle stage. Using log linear analytic techniques we find that life-cycle stage, family headship type, education of head and county unemployment rate are important in estimating the distribution of unemployment of family breadwinners. Controlling for these variables, the work experience and race of the head are not significant.

UNEMPLOYMENT OF FAMILY BREADWINNERS: THE RECESSION OF 1975

Economic conditions in the recession of 1975 hit a low not equalled since Depression. Unemployment rocketed to a record 9.2% in May, a level unprecedented since before the second World War, resulting in a 3.8 million increase in the number of unemployed individuals. The unemployment rate for males (16 years and older) averaged 8.5 for the year, while for women (20 years and older) the rate was 8.0 (U.S. Department of Labor, 1976).

While the severity of the recession left no demographic group untouched, the impact of unemployment was not distributed evenly across the population. Nonwhites, for example, had higher rates of unemployment than did whites. And the higher entrance of teenagers and women into the labor force resulted in increased shares in the proportion of these groups unemployed.

But the greatest single increase in the rate of unemployment during the recession of 1975 occurred for heads of households, moving from 2% in 1973 to 5.5% in 1975. The rate for female household heads showed a recessionary rise from 7% in 1973 to 10% in 1975, the highest on record (Employment and Training Report, 1976). In fact, in April 1975, 3.2 million of the 8.2 million total unemployed in the United States or 39% of all jobless persons were household heads.

This study examines the significance of the recession for families with children under 18. Using data from a nationwide survey (Michigan Panel Study of Income Dynamics), the following questions are addressed:

1. What families with children were most susceptible to having an unemployed breadwinner during the 1975 recession?
2. Why are some family heads more susceptible to unemployment than others?

The Recession and Family Stress: Private Meanings of Public Events

Social scientists have typically partitioned their enterprise into two major components--macro and micro analysis. Both theoretical and empirical investigations have traditionally been tracked along one of these dimensions; seldom have the parallel developments in both the macro and micro spheres been explicitly broached.

But it is just at the interface between large scale change and micro events that the most interesting sociological questions appear (Hernes, 1977). What is the meaning of macro events in the lives of individuals or individual families? Why does large scale change affect individuals or families differentially? How do individuals and families respond to the impacts of historical events--and what accounts for these variations in response?

A "crisis" has been defined in various ways--as the disparity between the claims of a family in a situation and its control of outcomes (Elder, 1974:9); as any sharp or decisive change for which old patterns of behavior are inadequate (Hill, 1949); as the variation in amount of disruptiveness or disorganization (Burr, 1973). Each of these definitions underscores the disorganizing aspect of a crisis. Unemployment is a stressor event of major import for families which may result in economic, interpersonal and psychological crises. Sociological research has documented the effects of unemployment, both during the Depression (catastrophic unemployment) and for low income families (chronic unemployment). Psychological, economic and behavior impacts have been described (Hill, 1949; Bakke, 1940, 1942; Cavan, 1965; Cavan and Ranck, 1938; Elder, 1974; Komarovsky, 1940; Koos, 1964; Angel, 1936; and Moynihan, 1965).

Current public interest in the well-being of families and of children has focused once more on the meaning of unemployment for family functioning. For

example, in his position paper for President Carter during the campaign, Secretary of HEW Joseph Califano (1976) defined unemployment as the single greatest threat facing families. A group (Work in America, 1973:18) studying the role of work in the United States underlined the importance of stable employment at decent wages for family economic independence and stability, concluding that the provision of the opportunity for secure employment should be the first goal of public policy. The National Academy of Sciences (1976), investigating the well-being of children, decided that problems of children cannot be separated from the problems of families, and that economic and employment security are central issues. Similarly, the report by the Carnegie Foundation (Kenniston, 1977) cited unemployment as the greatest negative impediment to the well-being of the nation's children.

Family susceptibility to the stress of unemployment is of both theoretical and practical concern. It is also a convenient mechanism for addressing the micro meanings of macro events. Elder (1974) grappled with the interface between social change and family change in his analysis of the consequences of the Great Depression. He notes that crises do not reside within individuals or families; rather they emerge at the interface between the individual or family and its social environment. Elder, like most of the traditional sociological literature on unemployment based on the Depression, focused on the effects of unemployment on the internal functioning of the family or on the psychological state of the unemployed and other members of the family.

The issue of the incidence of unemployment has been relegated principally to economists. With few exceptions (cf. Palmer and Barth, 1977), economists have addressed the variations in unemployment in terms of the differential rates of various categories of individuals--male or female, the younger or older worker,

blue or white collar workers, white or nonwhite individuals (cf. Leahy, 1976; Finegan, 1975; Garfinkle, 1977). Such analyses fail to specify the distribution of unemployment across different family types. And though some economists are evidencing an interest in family variables (cf. Schultz, 1976; Ghez and Becker, 1975) their view of the family is often both limited and static in its orientation (Sawhill, 1977:116).

The focus of this research is on the effects of macro-economic change--the recession of 1975--on the susceptibility of families to employment of their major wage earner. Families form a logical unit of analysis for assessing the impacts of the recession since economic well-being is as much a function of family level variables (number of children, number of earners) as it is the earnings or employment history of the individual. Moreover as Chilman (1973: 576) has pointed out, the family or household is the basic human ecological unit. It is the filter through which other policies (such as fiscal, monetary, or manpower programs) ultimately affect the individual.

Unemployment of Family Breadwinners

Economic theory suggests that the joblessness of the family head is a consequence of individual characteristics as well as the structural constraints of market demand. Therefore any understanding of the differential impacts of the recession on families requires an understanding of the human capital investments of the family head.

"Human capital" is an economic term concerned with the "value" of the individual employee or potential employee--that value being related in the individual's "investment" in abilities (cf. Mincer, 1974; Becker, 1965). There are two major forms of human capital: education and labor market experience. It is considered that both of these investments renders an individual more

valuable in the market place, and therefore, less prone to job loss. If economic theory were correct, the incidence of unemployment of the major wage earner across families with children during the recession could be explained as a consequence of both structural and human capital variables (see Figure 1).

Insert Figure 1 about here

Sociological literature in the family area (cf. Aldous and Hill, 1969; Elder, 1974; Furstenberg, 1974) suggests the possibility of other types of resources and constraints. Both family structure and family life cycle stage, for example, may affect the above model in two different ways. First, these family variables may interact with the structural and human capital variables altering the distribution of their effects on unemployment of the breadwinner. In other words, the education and/or experience of the head may "mean more" in some family situations than others and may make some families less prone to an unemployed breadwinner than others. Male headed families, for example, are more likely to achieve stable employment as a consequence of education than are female-headed families. Second, there is the effect these family variables may have on the independent variables themselves. In other words, certain family heads may be more likely to have more or less education, more or less experience than others and, therefore, be more or less prone to unemployment. Therefore, it is hypothesized that family variables may interact with individual resources and structural demands, affecting the relationship between variables; or family variables may themselves alter the amount of particular variables. Integrating economic theory within a family context produces the following model (Figure 2) to explain differences in family unemployment of breadwinners across families with children.

Figure 1

Economic Antecedents of Unemployment of Breadwinners

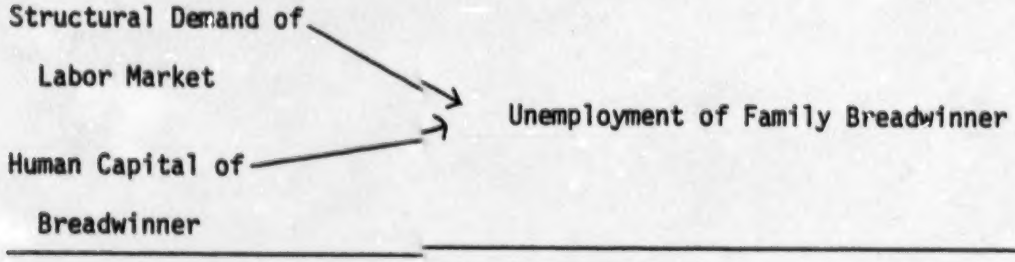
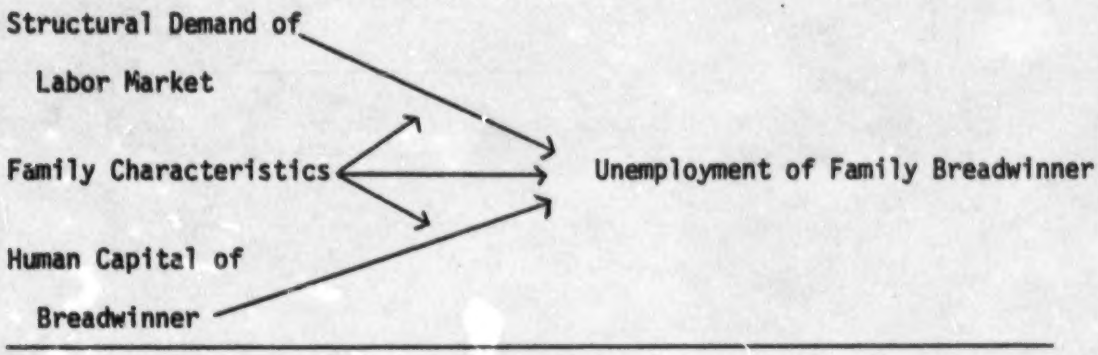


Figure 2

Family and Economic Antecedents of

Unemployment of Breadwinners



Insert Figure 2 about here

This research, therefore, will test the following hypotheses:

(1) There is a positive relationship between the constraints of the labor market and unemployment of the breadwinner of families with children.

(2) There is a negative relationship between a breadwinner's human capital resources and the likelihood of his/her unemployment.

(3) Family characteristics affect the relationship between labor market constraints, human capital resources and the likelihood that a breadwinner will be unemployed.

Overview of Study

This research looks at the distribution of unemployment among breadwinners of families with children during the recession of 1975. Using data from the Michigan Panel Study of Income Dynamics (1975 and 1976 waves), we examine some family characteristics associated with unemployment. In addition we look at the relationships between unemployment, labor market demand, and the human capital resources of the family breadwinner. Our subsample, drawn from the Panel Study, consists of all black and white families with children under 18. Both husband-wife/two-parent families and female-headed/single-parent families are included in the analysis. The sample numbers 2642; of these 16.8 percent or 542 had an unemployed breadwinner in 1975. The Panel Study is a nationwide sample which, when weighted, is representative of families across the nation (cf. Survey Research Center, 1972, 1975, 1976).

Patterns of Unemployment Across Families with Children

Nearly 17 percent of the sample families with children had an unemployed head at some time during 1975. Clearly some breadwinners were more susceptible

to unemployment than others. We are concerned in this portion of the analysis with the distribution of unemployment across different types of families.

In order to see how well the variables of family structure, life-cycle stage, and race of the head estimate the incidence of unemployment across families, models were constructed and tested using logit analysis, a special form of loglinear analysis (cf. Goodman, 1972a,b, 1973; Fienberg, 1977).

The criterion variable, unemployment of the family breadwinner, was dichotomized as follows:

jobless (0)--head was not unemployed in 1975 (head was either employed or out of the labor force)

(1)--head was unemployed at some time during the recession of 1975

The predictor variables were grouped into the following categories:

race (1)--head is white

(2)--head is black

life-cycle stage (1)--children present in family under 6 years of age

(2)--youngest child between 7 and 12

(3)--youngest child between 13 and 18

family type (1)--two parent/husband-wife families

(2)--one parent/female headed families

To test the hypothesis of independence (no effects) a model estimating the frequency of unemployment ignoring the effects of each predictor variable was fitted to the data. If the incidence of unemployment of the family head could be explained without knowing race, family type and life-cycle stage then this model would adequately reproduce the actual frequency of unemployment. Two chi-square goodness of fit statistics are used to determine how well the model fits: the

Pearson chi-square (X^2) and the likelihood ratio chi-square (LRX^2). They examine the differences between the expected and actual cell frequencies in this model. The results are given for H_0 in Table 1. A small chi-square with fixed

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Insert Table 1 about here

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degrees of freedom is usually not significant; this implies that the hypothesis is correct and that there is no effect of race, family type and life-cycle stage in determining the distribution of unemployment across families. Table 1 gives the results of this test, showing in fact a significant difference between estimated and expected incidence of unemployment ($p = .000$).

To test the possibility of direct effects of the independent variables Model H_1 was fitted. This null hypothesis tests whether or not the direct effects of family type, life-cycle stage, and race would adequately describe the data (see Table 1). There was no significant difference in the estimated and actual cell frequencies ($p = .10$). Thus the separate marginal frequencies of these variables and their direct effects do adequately describe the data. We can, therefore, assume that there are no significant interactions between certain family characteristics--race, family type, life-cycle stage--and the incidence of unemployment of the breadwinner.

To determine which direct effects are necessary we fit a series of models (Table 2) testing the relative contribution of each term in estimating unemploy-

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Insert Table 2 about here

---

ment of the family breadwinner. Models that have a significant p-value (less than

Table 1

Hierarchical Models Estimating (1) Unemployment of Family Head from (2) Family Type[2] (3) Race, and (4) Life Cycle Stage[3]

			TESTS OF SIGNIFICANCE			
Model	Parameters Fitted	Description	Pearson Chi square (X^2)	Likelihood Ratio Chi square (LRX^2)	Degrees of Freedom	p-value
H_0	[234] [1]	No effects	511.37	491.32	11	p=.000
H_1	[12] [13] [14]	Direct Effects	7.59	7.41	7	p=.10

[1]Likelihood of unemployment of family breadwinner (1=target [unemployed]; 2=non-target)

[2]Family headship structure (1=husband-wife/2 parent; 2=female-headed/1 parent)

[3]Age of Youngest Child (Stage 1=under 6 years; Stage 2=6-12 years; Stage 3=13-18 years)

Source: Michigan Panel Study of Income Dynamics, 1975 wave

(N = 2642)

Table 2

Tests of Relationship of Family Characteristics[1] and the Likelihood of Unemployment of the Breadwinner

MODEL	PARAMETERS DELETED	GOODNESS OF FIT			IMPROVEMENT IN FIT		
		LRX^2	d.f.	p-value	LRX^2	d.f.	p-value
H_0	[12][13][14] (direct effects)	7.41	7	p=.10			
H_1	-[12] (race)	26.96	8	p=.001	19.55	1	p=.000
H_2	-[13] (family headship type)	15.7	8	p=.05	8.29	1	p=.01
H_3	-[14] (life-cycle stage)	41.3	9	p=.000	33.89	2	p=.000

[1]Variables included in the model:
1=unemployment of the breadwinner, 1975 (1=target [unemployed]; 2=nontarget)
2=race of family head (1=white; 2=black)
3=family type [family headship] (1=husband-wife/2 parent; 2=female-headed/1 parent)
4=family life cycle stage [age of youngest child] (stage 1=under 6 years; stage 2=6-12 years; stage 3=13-18 years)

Source: Michigan Panel Study of Income Dynamics, 1975-76 waves

(N = 2642)

.05) are not good fits; the difference between the estimated and actual values is greater than could be expected by chance. This is reported by the likelihood ratio chi-square (LRX^2) column in Table 2. "Improvement in Fit" measures the relative importance of each parameter-contrasting its absence with the baseline model (H_0) which fitted all the direct effects. Since our aim is for parsimony, a model with fewest parameters (hence simplest) is the best fitting model. Models H_1, H_2 and H_3 all do not fit the data. H_0 is, therefore, the best fitting.

Model H_0 states that the relationship between unemployment of the breadwinner and family characteristics can be estimated by knowing the direct effects of these characteristics (see equation 1).

$$\text{logit } u - w_u + w_h + w_s + w_r \qquad (1)$$

where u = unemployment of breadwinner

h = headship type (sex of head)

s = life-cycle stage

r = race of family head

This hypothesis-testing procedure described above and shown in Table 2 is useful in determining the contribution of each parameter in estimating the likelihood of unemployment. But it does not provide a measure of the size or direction of the effects of each of the characteristics included in the model. In order to compare the predictive strength of the parameters included in equation (1) it is necessary to look at the logits within this model. Logits are the log-odds (natural logarithms, base e) of a family head experiencing unemployment given knowledge of a certain parameter. They are derived from the effects, which estimate the expected cell frequencies.

Table 3 gives the logits and odds ratios of the "best fitting" model. Looking at Table 3, we see that life-cycle stage has the largest impact on

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Insert Table 3 about here

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predicting a breadwinner's unemployment. Controlling for the other variables, family heads at stage one--with children under six--are the most prone to unemployment. Family heads at stage three--with teenaged children--are the least prone. There are also small direct effects of race--whites less susceptible--and headship type--female breadwinners are less susceptible.

Determinants of Unemployment

We have identified those families with children by race, family headship type, and life-cycle stage that were more or less prone to unemployment of the major wage earner during the recession of 1975. But the relationship between these predictor variables and the susceptibility to unemployment may be a spurious one. It may well be that the distribution of unemployed breadwinners across families is simply a reflection of the distribution of human capital variables and variations in the opportunity structure. If unemployment were a function entirely of contextual and human capital variables then the pattern of unemployed breadwinners across families with children could be explained purely through contextual and human capital predictors.

To test the adequacy of these explanations a model was constructed including both constraints of the job market and the human capital resources of the family head. This examination of labor market constraints is essentially a contextual analysis--documenting the manner in which a higher order "macro" variable (for example, the unemployment rate) affects a lower order "micro" variable (unemployment of the breadwinner). There are two higher order contexts that could be

Table 3

Measures of Effects of Family Characteristics on Unemployment of Family Breadwinner[1]

Parameters Included in Model[2]	Variable Name	Level	Logits*	Odds Ratios
[12]	Race	White	-.236	.79
		Black	.236	1.27
[13]	Family type	2-parent/husband-wife	1.86	1.20
		1-parent/female-headed	-1.86	.83
[14]	Life-cycle stage	Stage 1 (youngest child under 6)	.402	1.50
		Stage 2 (6-12 years)	- .112	.89
		Stage 3 (13-18 years)	- .290	.75

*positive sign means increased likelihood of unemployment

[1]likelihood of unemployment of family breadwinner, 1975

[2]model = [12][13][14]

Source: Michigan Panel Study of Income Dynamics, 1975-76 waves (N=2642)

examined. The first is the overall economic state of the nation. This could be measured by treating time as a variable and looking at the changes in amount of unemployment of family heads over the years as the business cycle changes. The second is the economic condition of various areas across the nation. While we hope to eventually model unemployment of breadwinners over time, it is the second context that will be utilized there. Local economic conditions will be operationalized by the local (county) unemployment rate. The UNEMPLOYMENT rate was trichotomized as follows:

1) under 6.0
2) 6.0 to 8.9
3) 9.0 or greater

Two variables were entered into the equation as measures of "human capital"; education of the family head and his/her work experience. Each of these variables was dichotomized:

EDUCATION

1) less than 12 years of schooling
2) 12 or more years of schooling

EXPERIENCE

1) less than five years job experience
2) five years or more job experience

Economic theory suggests the importance of a high school diploma in job security as well as the role of job experience in maintaining employment. A person employed five or more years has demonstrated a previous attachment to the labor force.

If the three variables, unemployment rate, education, and work experience, can explain the pattern of unemployment across family breadwinners then a model including just these factors would fit the data. We will, therefore, use them as

controls, to see if they "explain" the distribution of unemployment across families. To test the relationship between this set of variables, the family characteristic variables, and unemployment, a model including them all was constructed. The model of direct effects was not significantly different from the data.

Even though the model of direct effects fits the data, we cannot be sure that all of the predictor variables are necessary. To test the relative importance of each characteristic we use the direct effects model as a baseline and selectively drop each independent variable from the equation. The "Goodness of Fit" chi-square (LRX^2) provides a measure of the fit of each of these modified models. The contribution of the deleted variable is given by the "Improvement of Fit" chi-square (LRX^2), which is actually a partial chi-square, testing the significance of the deleted parameter (whether a model without a deleted parameter is significantly different from a model including it). The results of this "model fitting" process are given in Table 4. When we look at

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Insert Table 4 about here

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the "Improvement in Fit" chi-squares we see that all of the predictor variables are significant; each makes a contribution to the estimation of a breadwinner's unemployment. But when we look at the "Goodness of Fit" column we see that two variables--race (H_3) and work experience (H_5) can safely be deleted from the equation of direct effects. Since our aim is the most parsimonious (best-fitting) model we tested a model which left out both race and work experience of the family head in estimating the likelihood of unemployment of the major wage earner. The results ($LRX^2 = 212.95$; d.f. = 178; $p > .05$) show that this model does indeed fit the data (see equation 2).

Table 4

Tests of Relationship of Selected Structural Familial and Personal Characteristics[1] and the Likelihood of Unemployment of Family Head[2]

MODEL	PARAMETERS DELETED	GOODNESS OF FIT			IMPROVEMENT IN FIT		
		LRX^2	d.f.	p-value	LRX^2	d.f.	p-value
H_0 [12] [13] [14] [15] [16] [17] (direct effects)		198.31	176				
H_1	-[12] (life cycle stage)	224.93	179	$p < .05$	26.62	3	p = .00
H_2	-[13] (family type)	207.43	178	$p < .05$	9.12	2	p = .01
H_3	-[14] (race)	205.94	177	$p > .05$	7.63	1	p = .00
H_4	-[15] (education)	208.12	178	$p < .05$	9.89	2	p = .01
H_5	-[16] (experience)	204.95	178	$p > .05$	6.64	2	p = .05
H_6	-[17] (unemployment rate)	211.99	179	$p < .05$	13.68	3	p = .00

[1]Variables included in the model:
1 = unemployment of head (0=nontarget; 1=target)
2 = family life cycle stage [age of youngest child] (stage 1=under 6 years; stage 2=6-12 years; stage 3=13-18 years)
3 = family type [family headship] (1=husband-wife/2 parent; 2=female-headed/1 parent)
4 = race of family head (1=white; 2=black)
5 = education of head (1=less than 12 years; 2=12 years or more)
6 = work experience of head (1=less than 5 years; 5=5 or more years)
7 = unemployment rate [county] (1=under 6.0; 2=6.0 through 8.9; 3=9.0 or greater)

[2]Likelihood of breadwinner being unemployed at some time in 1975

Source: Michigan Panel Study of Income Dynamics, 1975, 1976 waves (N = 2642)

$$\text{logit}_u = w_2 + w_s + w_h + w_e + w_c \qquad (2)$$

where u = unemployment of breadwinner

s = life-cycle stage

h = headship type

e = education of head

c = county unemployment rate

This model says that one can estimate the likelihood of unemployment of the breadwinner by knowing the direct effects of life-cycle stage, family headship type, education of head and the county unemployment rate. Once we control for these factors, race and job experience do not appreciably improve the estimates. We see that one human capital variable (education) is important in explaining unemployment. The contextual variable (county unemployment rate) also contributes to the estimating process. Two family variables are important: life-cycle stage and family headship type (again, as explanatory variables, these may be surrogates for age and sex of head). To measure the direction and strength of each of the variables included in the model requires estimation of the logits and odds ratios of the best-fitting model. The results are shown in Table 5.

Insert Table 5 about here

The odds ratios compare the susceptibility of family heads to unemployment, given a particular characteristic. An odds ratio of one means that an individual in a particular category has a 50:50 chance of being unemployed. Odds ratios greater than one mean a greater than average probability of unemployment. Odds ratios less than one mean a lower likelihood of unemployment.

Table 5

Measure of Effects of Selected Characteristics[1] on Unemployment of the Family Breadwinner

Parameters Included in Model[2]	Variable Name	Level	Logits*	Odds Ratios
[12]	Life-cycle stage	Stage 1 (youngest child under 6)	.470	1.60
		Stage 2 (6-12 years)	-.154	.86
		Stage 3 (13-18 years)	-.316	.73
[13]	Family headship type	Male-headed	.94	1.05
		Female-headed	-.94	0.95
[15]	Education of head	Not high school graduate	.212	1.24
		High school graduate or greater	-.212	.81
[17]	Unemployment role	Under 6.0	-.316	.73
		6.0 to 8.9	.022	1.25
		9.0 or greater	.294	1.34

*positive sign means increased likelihood of unemployment

[1]Variables included in the model:
1 = unemployment of head (0=nontarget; 1=target)
2 = family life cycle stage [age of youngest child](stage 1=under 6 years; stage 2=6-12 years; stage 3=13-18 years)
3 = family type [family headship](1=husband-wife/2-parent; 2=female-headed/1-parent)
4 = race of family head (1=white; 2=black)
5 = education of head (1=less than 12 years; 2=12 years or more)
6 = work experience of head (1=less than 5 years; 5=5 or more years)
7 = unemployment rate [county](1=under 6.0; 2=6.0 through 8.9; 3=9.0 or greater)

[2]Model = [12][13][15][17]

Source: Michigan Panel Study of Income Dynamics (N = 2642)

Looking at Table 5 we see that controlling for all other factors life-cycle stage is most important in predicting unemployment of breadwinners. Heads of families with young children (stage one) are the most susceptible to unemployment (odds = 1.60), even taking into account education and labor market constraints. Families at stages two and three have a less than average chance of having an unemployed breadwinner, once other variables are controlled (odds are .86 and .73, respectively).

The second most important effect in estimating unemployment of breadwinners is the contextual variable, the county unemployment rate. Where the unemployment rate is low (under 6.0) family breadwinners have a less than average chance of being unemployed (odds = .73). As the unemployment rate increases so does the likelihood of families having breadwinners who are jobless. Families in areas of high unemployment (9.0 or greater) have a higher probability of an unemployed major wage earner.

Controlling for life-cycle stage and county unemployment rate, we see that both sex and education of the breadwinner have small effects on the expected frequency of unemployment: high school dropouts are slightly more susceptible (odds are 1.25) as are males (odds are 1.05).

Unemployment of Family Breadwinner: Summary

In this paper we have looked at families with children to see which categories of families were more likely to have had an unemployed breadwinner during the recession of 1975. We recognize that being without a job for the major wage earner is only one problem that families face. Nevertheless, unemployment can be devastating due to the economic and interpersonal crises that it may generate.

Figure 3 gives a capsule summary of the probability distribution of an unemployed breadwinner across families. It shows which families were more or less susceptible to the unemployment of their major wage earner in 1975.

Insert Figure 3 about here

We also looked for some variables to explain the differences in the odds that breadwinners of families with children will be unemployed. We found that environmental constraints (county unemployment rate) affected the probability of unemployment as did lack of a high school diploma. Job experience of the breadwinner did not seem to have an effect on the likelihood of unemployment once other variables were controlled for. Women family heads are less susceptible than men to unemployment but, once unemployed, are more prone to extended joblessness. Race is an important factor in the distribution of unemployment across families (see Figure 3). But, controlling for education and the county unemployment rate, the race effect diminishes in explaining probability of unemployment. Age and life-cycle stage--when entered separately into the equation--have negative effects on the probability of joblessness. The picture is clear: young families--those with young children--are the ones most likely to have an unemployed breadwinner in the face of a recessionary economy.

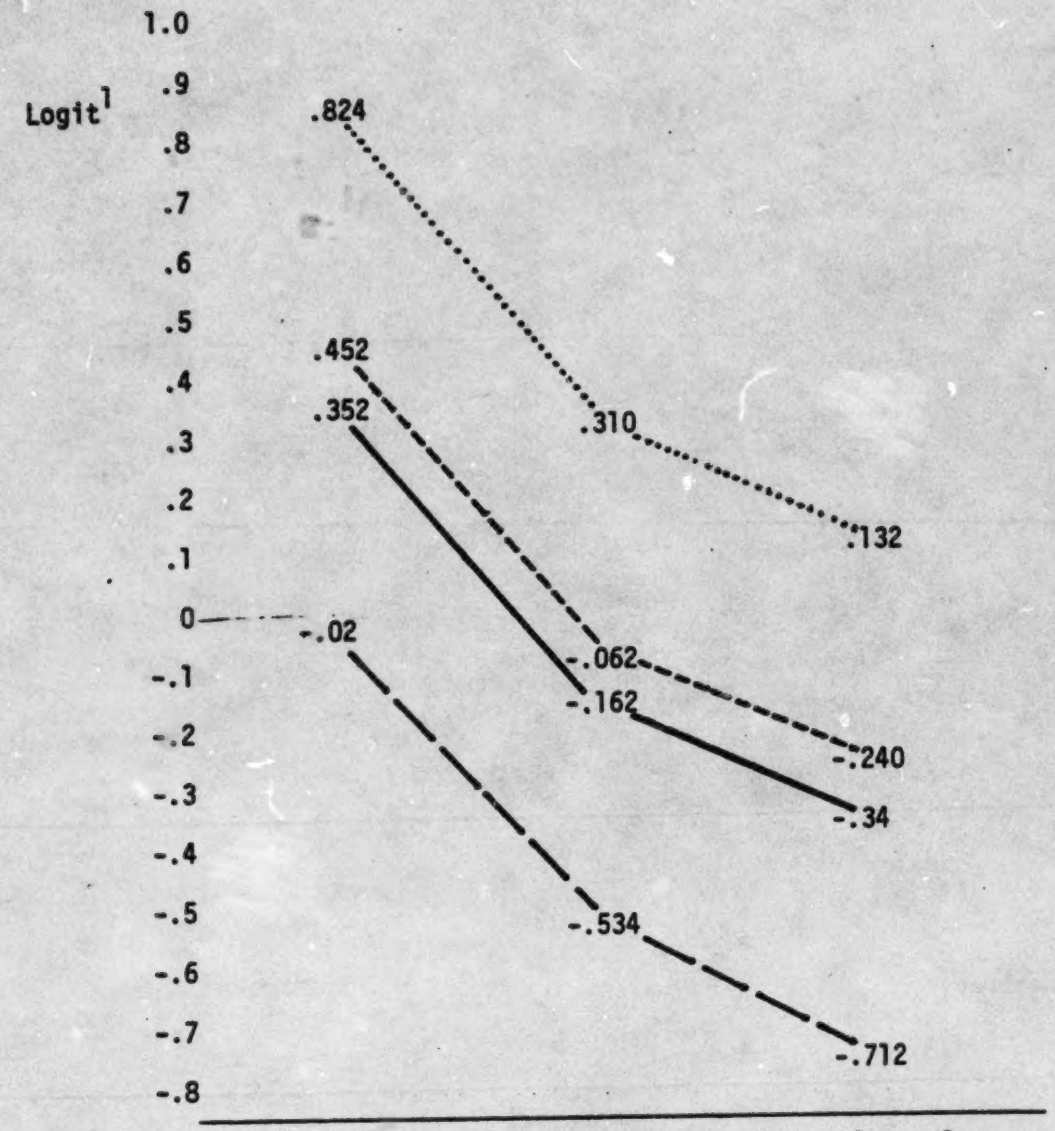

Figure 3

Effects of Race, Life-Cycle Stage and Family Headship Type on Likelihood of Unemployment of Family Breadwinners

[1]Logit of zero equals 50:50 chance of unemployment; positive sign means increased likelihood of unemployment

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